

Congress of the United States
House of Representatives
Washington, DC 20515–2201

May 7, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-232, U.S. Capitol
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
H-204, U.S. Capitol
Washington, D.C. 20515

Dear Speaker Pelosi and Leader McCarthy,

We are very grateful for your strong leadership in shepherding critical emergency legislation through Congress to help address the urgent health and economic needs as a result of the global pandemic. But as you know, Congress must do more.

The economic havoc brought about by the coronavirus pandemic will have wide-ranging and long-lasting effects, especially on low-wage workers, children and their families. The Congressional Budget Office (CBO) expects unemployment to rise to 16 percent this year and then hold at levels close to 10 percent through the end of 2021. More aggressive policy steps must be taken to get the economy back on track especially for low-income workers. To help address this, we urge you to include a temporary expansion of the Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC) in the next coronavirus legislative package, to take effect for tax year 2020.

Improving the EITC and CTC would deliver a well-timed boost to the economy and help millions of people early next year while encouraging and rewarding their hard work and helping many from sliding into poverty because of this crisis.

The EITC is a success story because it encourages people to work, when it is safe to do so after the peak of the pandemic and provides a financial boost to low-wage workers and their families. However, gaps in EITC mean that millions of people are left out. For example, low-wage seniors over 64 and the youngest adult workers not raising children receive zero EITC benefit. In all, five million low-income workers without children are taxed deeper into poverty.

Across our country, we have seen the importance of people, both with and without children, who do essential jobs but are paid too little. An expanded EITC would provide additional income to supplement their limited earnings. Among the people who would benefit the most from a robust EITC are grocery store cashiers, health-aides, and truck drivers – workers on the front lines of coronavirus. We must fill the existing gaps and increase the size of the credit.

The current economic downturn is also likely to have an outsized impact on one especially vulnerable population--children. The coronavirus pandemic has left more children and families with less access to essential support due to the closing of schools and daycares. We need to do all we can to avoid a spike in child poverty, which would do harm to the prospects of millions of children for years to come. Even before the current crisis, the CTC failed to fully reach approximately 26 million children in low- and moderate-income families due to the CTC being not fully refundable. The next crisis response bill should change that and provide the full credit to all eligible families.

We must respond to this unprecedented challenge with policies that provide support to the workers and families who will be hit the hardest and affected the longest by this crisis. Doing so also serves as effective economic stimulus, delivering efficient results to American taxpayers. Legislation that we are sponsoring this Congress, the Our Working Families Tax Relief Act, provides the model for making these critical improvements to the EITC and CTC. Working families are depending on us to meet this extraordinary moment by providing them with the support they need to weather the ongoing economic effects of COVID-19 in the years to come. We must deliver for them.

Sincerely,



Daniel T. Kildee
Member of Congress



Dwight Evans
Member of Congress

Earl Blumenauer
Member of Congress

Jimmy Panetta
Member of Congress

Suzanne Bonamici
Member of Congress

Mary Gay Scanlon
Member of Congress

Steve Cohen
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